(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SHRIPAD YESSO NAIK): (a) to (c) Administrative reforms in the major ports are carried out as part of an ongoing process to improve management practices, operational efficiency, cost effectiveness and service quality. The Working Group for the Port Sector for Tenth Five Year Plan (2002-2007) has recommended measures, *inter-alia*, aimed at improvements in equipment productivity, equipment maintenance, disposal of surplus equipment, labour productivity, optimisation of work force, training and optimal use of information technology.

Introduction of tonnage tax for shipping industry

4912. SHRI K. RAMA MOHANA RAO: Will the Minister of SHIPPING be pleased to state:

(a) whether it is a fact that there is a proposal for imposing tonnage tax in lieu of corporate tax for shipping industry;

(b) if so, the details of such proposal;

(c) whether it is also a fact that an Expert Committee has been constituted to look into the desirability of introducing Tonnage Tax Act;

(d) if so, whether the Committee has submitted report; and

(e) if so, the recommendations of the Committee?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SHRIPAD YESSO NAIK): (a) to (e) Yes, Sir. The Rakesh Mohan Committee constituted by the Government to review Indian Shipping and to recommend measures has submitted its report to the Government. The Committee has recommended that, recognizing the role of shipping in the national economy, a conducive fiscal regime should be provided so that Indian shipping can be internationally competitive. To facilitate this, Indian shipping companies may be given an option to opt for Tonnage Tax system to be introduced with effect from the financial year 2002-2003. While, this step should substantially help to check stagnation in the growth of Indian shipping tonnage, the option to continue to remain within the Corporate Tax regime may also be provided so that those companies which prefer to be under that regime, can do so.